IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 22.02.2021

CORAM:
THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI

T.C.A.No.509 of 2009

The Commissioner of Income Tax,
Central - II, Chennai. ...Appellant/Appellant

Vs.

M.K.Sareena ... Respondent/Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "B" Bench, Chennai dated 17.07.2008 in I.T(SS). A.No.157/Mds/2007 block period 22.01.2003 and this appeal preferred against the Commissioner of Income Tax (Appeals) II, Chennai 34 order dated 17.08.2007 made in Appeal No. CIT(A)/ CHE/2/2007-2008 for the assessment year Block assessment for the period ending 22.01.2003 and against the Deputy Commissioner of Income Tax, Central Circle 11(3) Chennai 34 order dated 28.02.2007 made in GIR/PA No/26794S/AAJPS6227Q for the assessment year relating to block period 01.04.1996 to 22.01.2003.

For Appellant : Mr.T.R.Senthil Kumar,
Senior Standing Counsel
assisted by Ms.K.G.Usha Rani,
Junior Standing Counsel
For Respondent : Mr.N.V.Balaji

JUDGMENT
(Judgment was delivered by M.DURAISWAMY, J.)

We have heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel for the appellant/Revenue and Mr.N.V.Balaji, learned counsel for the respondent/assessee.

2.The appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) is directed against the order dated 17.07.2008 made in I.T(SS).A.No.157/Mds/2007 on the file of the Income Tax Appellate Tribunal, Chennai, "B" Bench (for brevity, the Tribunal) for the block period 22.01.2003.

3.The appeal was admitted on 10.11.2009 on the following substantial questions of law:

> “1)Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in deleting the addition of Rs.58,80,000/- towards unexplained cash credit under Section 68 of the Income Tax Act, 1961 is valid in law?
>
> 2)Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the additions of Rs.10,85,200/- made on account of unexplained jewellery even though the assess has not proved that the possession of jewellery is disclosed in the wealth tax returns nor filed any evidence to show that the purchases were made out of drawings in any of the bank account or account with various concerns in which the assessee is interested?
>
> 3)Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in restricting the addition of Rs.16,90,634/- made on account of unexplained investment in property at West Hill, Calicut to Rs.56,734/- is valid?”

4.The learned Senior Standing Counsel for the appellant submits that the above appeal is not pursued by the Revenue on account of the Low Tax Effect in terms of Circular No.17/2019 dated 08.08.2019 issued by the Central Board of Direct Taxes. By the said Circular, the monetary limit for filing or pursuing an appeal before the High Court has been increased to Rs.1 crore. It is further submitted that the tax effect in these cases are less than the threshold limit.

5.In the light of the said submissions, the above Tax Case Appeal is dismissed as withdrawn on account of the Low Tax Effect. The substantial question of law framed is left open. In the event the tax effect in this case is above the threshold limit fixed in the said Circular, liberty is granted to the Revenue to make a mention to this Court to restore the appeal to be heard and decided on merits. No costs.

-s/d-
Assistant Registrar

True Copy

Sub-Assistant Registrar

To

1.The Income Tax Appellate Tribunal, Chennai, "B" Bench
Chennai

2.The Commissioner of Income Tax
(Appeals)II, Chennai 34.

3.The Deputy Commissioner of Income Tax
Central Circle 11(3)
Chennai 34.

+1 CC to Mr.T.R.Senthil Kumar, Advocate sr 10252.
+1 CC to Mr.N.V.Balaji, Advocate sr 10855.

T.C.A.No.509 of 2009

KJ(CO)
SP(19/03/2021)